

SDCL Energy Efficiency Income Trust (SEEIT)

Consumer-Facing Sustainability Disclosure

FIRM NAME	Sustainable Development Capital LLP (“SDCL”)
PRODUCT NAME	SDCL Energy Efficiency Income Trust PLC (“SEEIT”)
ISIN	GB00BGHVZM47
DATE OF DISCLOSURE	27 November 2024

SUSTAINABILITY LABEL STATUS

Sustainable investment labels help investors find products that have a specific sustainability goal. **This product does not have a UK sustainable investment label.**

Why doesn't this product have a label?

While SDCL Energy Efficiency Income Trust (“SEEIT”) is focused on energy efficiency and has strong sustainability processes in place, the investment manager, Sustainable Development Capital LLP (“SDCL”) is working on enhancing the fund’s sustainability approach prior to deciding on label adoption. This includes:

- Further developing transition plans for certain portfolio assets
- Strengthening the reporting infrastructure
- Ensuring full alignment with regulatory requirements

SEEIT will reassess label adoption in 2025 following completion of these enhancements.

SUSTAINABILITY APPROACH

What is SEEIT trying to achieve?

SEEIT invests in projects that reduce energy losses occurring in the energy generation system, from generation to transmission and distribution to the point of use. Its investments fall into two main categories:

- Energy Generators: Projects that produce energy on-site efficiently, reducing losses from generation and transmission
- Energy Savers: Projects that reduce energy loss through more efficient use of energy

How does SEEIT invest?

SEEIT targets investments that:

- Deliver measurable energy or carbon savings compared to conventional alternatives
- Support the transition to net zero
- Have strong environmental and social practices
- Meet the fund’s governance requirements

SEEIT aims for at least 70%¹ of its investments to meet the fund’s definition of an energy efficiency project². SEEIT actively engage with portfolio companies to monitor and improve their sustainability performance.

What won't SEEIT invest in?

The fund excludes investments in:

- Weapons
- Tobacco

¹ SEEIT’s aim is for at least 70% of its investments to meet the fund’s definition of an energy efficiency project, but the actual percentage may vary based on portfolio construction and valuations

² SEEIT’s definition of an "Energy Efficiency Project" is set out in Annex 3 of the Responsible Investment Policy

- Gambling
- Adult Entertainment

SUSTAINABILITY METRICS

Energy Efficiency Impact In the year ending 31 March 2024:

- Energy generated: 4,979,953 MWh (year end: 31 March 2024)
- Energy saved: 379,589 MWh (year end: 31 March 2024)³
- Carbon Emissions Avoided: 9722,201 tCO₂e (year end: 31 March 2024)⁴
- These figures demonstrate that funded projects reduce energy loss compared to conventional alternatives.

Portfolio Alignment

- 100% of investments aligned with Fund definition of an energy efficiency project⁵
- Target⁶ of 100% of portfolio companies to be considered net zero, aligned to net zero, or aligning to net zero by 2030

FINANCIAL CONSIDERATIONS

Potential Benefits:

- Revenue from energy cost savings
- Stable, long-term returns from energy efficiency projects
- Potential growth from increasing demand for clean energy solutions

Key Risks:

- Technology performance and demand may affect energy and carbon savings
- Implementation costs of sustainability improvements
- Regulatory changes affecting energy efficiency markets

PROGRESS UPDATE

- All portfolio assets are aligned with the fund's energy efficiency objective
- Actively working with investments to develop and implement net zero transition plans
- Strengthening sustainability reporting and measurement frameworks
- Engaging with portfolio companies to improve environmental and social performance

WHERE TO FIND MORE INFORMATION

Additional information regarding SEIT's sustainability approach and performance is available through the following resources:

- Pre-contractual disclosure: [Pre-Contractual Disclosure](#)
- Annual sustainability report: [SEIT 2024 ESG Update](#)
- Entity-level sustainability report: [Responsible Investment Policy](#)
- Cost and charges information: [KID](#)

Note: This draft aims to be clear and accessible while meeting regulatory requirements. The regulation stipulates a 2-page limit.

³ Calculation methodology may be found in Section (G) of Article 10 disclosure statement

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⁵ SEIT's definition of an "Energy Efficiency Project" is set out in Annex 3 of the Responsible Investment Policy

⁶ This is the Investment Manager's Net Zero Asset Manager's Initiative target